

Washington, D.C. - Congresswoman Melissa Bean (IL-08), who in her first term has distinguished herself as one of the House's foremost leaders in the fight against identity theft, continued her work on behalf of consumers by negotiating for a more stringent consumer notification "trigger" in the Financial Data Protection Act of 2005 (HR 3997).

Bean worked with her colleagues in the Financial Services Committee to make a change, which will ensure that financial institutions and data brokers alert their consumers if there is any unauthorized acquisition of personal financial data that could cause a "reasonable" risk of identity theft. Earlier versions of the bill required businesses to notify consumers only if there was a "substantial" risk of identity theft or financial fraud.

"Identity theft is one of the fastest-growing crimes in the nation – especially in the suburbs," Bean said, "Social security, bank account, and credit card numbers aren't just data. In the wrong hands they can wipe out someone's life savings, wreck their credit and cause financial ruin."

"As part of my efforts to fight identity theft, I worked with my colleagues on the Financial Services Committee to strengthen consumer protection with a reasonable notification requirement."

"As a result, this legislation now requires financial institutions to inform consumers of a data breach and provide them with the information they need and deserve to protect themselves. Risk notifications empower and inform consumers, allowing them to actively safeguard their personal information."

The Financial Data Protection Act of 2005 amends the Fair Credit Reporting Act to strengthen its data security safeguards. The Financial Data Protection Act requires all "consumer reporters" or those consumer reporting agencies and financial institutions that regularly handle consumer financial information, to notify consumers if responsible for a potential identity theft or fraud risk. Additionally, consumer reporters will be required to implement increased protections against all forms of financial fraud and ensure a higher level of data security.

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